



Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Katy Allen
Ralph G. Tonseth

SUBJECT: SEE BELOW

DATE: 03-29-04

Approved

Date

Council District: Citywide

SUBJECT: THIRD AMENDMENT TO THE AGREEMENT WITH KIMLEY-HORN AND ASSOCIATES, INC. FOR THE NORMAN Y. MINETA SAN JOSE INTERNATIONAL AIRPORT – RUNWAY 30L RECONSTRUCTION PROJECT

RECOMMENDATION

Approval of the third amendment to the agreement with Kimley-Horn and Associates, Inc. for the Norman Y. Mineta San José International Airport – Runway 30 Left Reconstruction Project increasing the compensation by \$600,000 for a total agreement amount of \$5,940,000 and extending the term from June 30, 2004 to December 31, 2005.
CEQA: Resolution Nos. 67380 and 71451, PP 04-03-086.

BACKGROUND

On October 17, 2000, Council approved a consultant agreement with Kimley-Horn and Associates, Inc. for the Runway 30L Reconstruction Project. The scope consisted of several phases of work for the Runway 30L reconstruction and extension, taxiway improvements and other related projects. At the time the agreement was approved, it was anticipated that amendments would be required to increase the total compensation after the final scope of work for the project had been approved by the Federal Aviation Administration (FAA).

The first amendment (approved by Council on September 17, 2001) and the second amendment (approved by Council on November 19, 2002) both increased the compensation to complete designs for the Runway 30L Extension, Remote Transmitter and Receiver Facility Relocation (RTR), Taxiway Y Reconstruction, and Interim Air Cargo Ramp projects. Additionally, the increase in compensation provided initial construction support services for the Runway 30L Reconstruction and RTR projects.

ANALYSIS

Prior amendments to the agreement included an allowance for construction support for the Runway 30L and RTR projects; however, the scope of services had to be increased to address issues raised by the airlines and the FAA. Issues included the phasing and implementation of construction and additional studies and coordination to confirm design details. Due to these considerations, an amendment to the consultant agreement is necessary to provide support to City staff for the duration of the projects. City staff will provide the majority of the construction management services for these projects. Funding for this amendment is available within the project budget, and no additional funds are being requested at this time. The majority of the funding for the Runway 30L Extension project is being provided by a grant from the FAA.

The support services to be provided by Kimley-Horn under the proposed third amendment include the following:

Runway 30L Extension: \$250,000 for construction support including reviews of requests for information and continued coordination with the FAA.

Remote Transmitter and Receiver Facility Relocation: \$50,000 to complete construction support services.

Additional Services: \$300,000. Provides an allowance for construction surveying and other services that will be used only as needed and if City staff is unavailable.

AIRPORT MASTER PLAN CONSISTENCY

The San José Municipal Code requires that capital projects at the Airport be consistent with the adopted Airport Master Plan. As all four projects included in the consultant's scope of services are expressly identified in the Airport Master Plan, this proposed amended agreement is consistent with the Master Plan pursuant to Municipal Code Section 25.04.210 (B)(1).

PUBLIC OUTREACH

The request for submission of "Statements-of-Qualifications" from firms interested in performing the design was posted in the business section of the Norman Y. Mineta San José International Airport's web site, and the City's Internet bid line. It was also advertised in engineering newsletters and trade papers with nationwide circulation, as well as, the *San Jose Mercury News*, the *San Francisco Chronicle* and *San Jose Post Record*. The request was also sent directly to firms with known applicable experience including, but not limited to, firms with MBE/WBE status.

COORDINATION

This amendment and memorandum have been coordinated with the City Attorney's Office, City Manager's Budget Office, and the Departments of Finance and Planning, Building and Code Enforcement.

COST IMPLICATIONS

1. AMOUNT OF RECOMMENDATION: \$600,000

2. COST OF PROJECT (Through Third Amendment):

Original Agreement	\$3,000,000
First Amendment	1,150,000
Second Amendment	1,190,000
Third Amendment	600,000
City Administration	<u>300,000</u>
TOTAL	\$6,240,000

3. SOURCE OF FUNDING: 527 – Airport Renewal and Replacement Fund
526 – Airport Revenue Bond Improvement Fund

4. FISCAL IMPACT: This project is consistent with the Council-approved Budget Strategy Economic Recovery section, as it will spur construction spending in our local economy. The project has been reviewed, and was determined to have no significant adverse impact on the General Fund operating budget.

BUDGET REFERENCE

Fund #	Appn #	Appn. Name	RC #	Total Appn	Amt. for Contract	2003-04 Adopted Budget Page	Last Budget Action (Date, Ord. No.)
527	5928	Remote Transmitter Receiver Relocation	11452X	\$625,000	\$50,000	Page 53	10/14/03 Ord. No. 26997
526 (546)	5426	Extend and Strengthen Runway 30L	11874X	\$20,970,000	\$550,000	Page 36	10/14/03 Ord. No. 26997
		Total			\$600,000		

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CEQA

Resolution Nos. 67380 and 71451, PP 04-03-086.

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RALPH G. TONSETH
Director of Aviation

TF:ct